

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

HOUSE ENROLLED ACT No. 1019

AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 27-1-3-30 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2003]: **Sec. 30. (a) As used in this section, "accident and sickness insurance policy" has the meaning set forth in IC 27-8-14.2-1.**

(b) As used in this section, "health maintenance organization" has the meaning set forth in IC 27-13-1-19.

(c) As used in this section, "mandated benefit" means certain health coverage or an offering of certain health coverage that is required under:

(1) an accident and sickness insurance policy; or

(2) a contract with a health maintenance organization.

(d) As used in this section, "mandated benefit proposal" means a bill or resolution pending before the general assembly that, if enacted, would require certain health coverage or an offering of certain health coverage under:

(1) an accident and sickness insurance policy; or

(2) a contract with a health maintenance organization.

(e) The commissioner shall establish a task force to review mandated benefits and mandated benefit proposals.

(f) The task force must consist of nine (9) members appointed by the governor as follows:

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- (1) Two (2) members representing the insurance industry.
- (2) Two (2) members representing consumers.
- (3) Two (2) members representing health care providers.
- (4) Two (2) members representing the business sector.
- (5) The commissioner or the commissioner's designee.

A registered lobbyist may not serve as a member of the task force.

(g) Members of the task force shall serve on a voluntary basis without reimbursement.

(h) The department shall provide administrative support for the functions of the task force.

(i) The task force shall review mandated benefits and mandated benefit proposals as determined by the members of the task force and report to the legislative council not later than December 31 of each year.

(j) Any recommendations made by the task force must be approved by at least five (5) members of the task force.

(k) The department may adopt rules under IC 4-22-2 to implement this section.

(l) Information that identifies a person and that is obtained by the task force under this section is confidential.

SECTION 2. IC 27-8-24.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]:

Chapter 24.1. Coverage for Treatment of Inherited Metabolic Disease

Sec. 1. As used in this chapter, "accident and sickness insurance policy" has the meaning set forth in IC 27-8-5-27(a).

Sec. 2. As used in this chapter, "covered individual" means an individual who is entitled to coverage under an accident and sickness insurance policy.

Sec. 3. As used in this chapter, "inherited metabolic disease" means a disease:

- (1) caused by inborn errors of amino acid, organic acid, or urea cycle metabolism; and
- (2) treatable by the dietary restriction of one (1) or more amino acids.

Sec. 4. As used in this chapter, "medical food" means a formula that is:

- (1) intended for the dietary treatment of a disease or condition for which nutritional requirements are established by medical evaluation; and

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- (2) formulated to be consumed or administered enterally under the direction of a physician.

Sec. 5. An accident and sickness insurance policy must provide coverage for medical food that is:

- (1) medically necessary; and
- (2) prescribed by a covered individual's treating physician for treatment of the covered individual's inherited metabolic disease.

Sec. 6. The coverage that must be provided under this chapter shall not be subject to dollar limits, coinsurance, or deductibles that are less favorable to a covered individual than the dollar limits, coinsurance, or deductibles that apply to coverage for:

- (1) prescription drugs generally under the accident and sickness insurance policy, if prescription drugs are covered under the accident and sickness insurance policy; or
- (2) physical illness generally under the accident and sickness insurance policy, if prescription drugs are not covered under the accident and sickness insurance policy.

SECTION 3. IC 27-13-7-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004]: **Sec. 18. (a) As used in this section, "inherited metabolic disease" means a disease:**

- (1) caused by inborn errors of amino acid, organic acid, or urea cycle metabolism; and
- (2) treatable by the dietary restriction of one (1) or more amino acids.

(b) As used in this section, "medical food" means a formula that is:

- (1) intended for the dietary treatment of a disease or condition for which nutritional requirements are established by medical evaluation; and
- (2) formulated to be consumed or administered enterally under the direction of a physician.

(c) A group health maintenance organization contract that provides coverage for basic health care services must provide coverage for medical food that is:

- (1) medically necessary; and
- (2) prescribed for an enrollee by the enrollee's treating physician for treatment of the enrollee's inherited metabolic disease.

(d) The coverage that must be provided under this section shall

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not be subject to dollar limits, copayments, or deductibles that are less favorable to an enrollee than the dollar limits, copayments, or deductibles that apply to coverage for:

- (1) prescription drugs generally under the group contract, if prescription drugs are covered under the group contract; or
- (2) physical illness generally under the group contract, if prescription drugs are not covered under the group contract.

SECTION 4. [EFFECTIVE JULY 1, 2003] (a) IC 27-8-24.1, as added by this act, applies to an accident and sickness insurance policy that is issued, delivered, amended, or renewed after December 31, 2003.

(b) IC 27-13-7-18, as added by this act, applies to a health maintenance organization contract that is entered into, delivered, amended, or renewed after December 31, 2003.

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Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Approved: _____

Governor of the State of Indiana

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